UNION PACIFIC GAINS THREE POINTS. GRANGERS STRONG ON GOOD CROP OUTLOOK.

NEW YORK, June 24.-While the mar- | TODAY'S SALES ON there were many stocks that moved within a narrow range and while hold ing their own did not materially im prove. Once more it was a Harriman market and reports concerning some thing indefinite upon which the Harriman was working, started the market of Trade.) to discounting a vague and uncertain possibility. Union Pacific was the one sensation in a big rise.

But it was also a fact that the crops ut much figure in the news of the day. The general impression is gaining ground that 1909 is to be a bumper crop year and the Government report to be made public July 9 is confidently expected to bear out this theory. It is or this prospect that much of the late buying has been predicted.

The general gossip was without es pecial significance other than as it related to the outlook for crops and a vague "something."

Speculative interest was not large The weather was against activity in any direction not absolutely essential. Room traders looked in on the boards but were not inclined to de much one way or the other. The West sent in some buying orders in the grangers and Reading, the latter again coming into favor, the refusal of the directors to Increase the dividend being forgotten in the belief that they will raise it next

The industrials were rather firmer but did not make much headway. The Iron Age asserts that business is no advanced. Basic and Bessemer pig advanced 25 cents a ton.

Narrow Market Predicted.

It is probable that the market will continue to move in more narrow grooves for the next fortnight, unless the unexpected should happen. Bull Wabash I wis Cent sentiment is more or less subdued, but Western the bears find little comfort because the bidding up values. Then aggressive in fluences are absent—the vacation sea son is at hand and summer weather is here with a vengeance. Under these cir cumstances the market would be bu natural if it moved within a narrow

Union Pacific set the pace, and so far as this one stock was concerned it was a decidedly fast one. It opened a ful point higher at 192% and rose within comparatively short time to 194%, easing off tractionally, from this 2%-point gain Southern Pacific added over a point t

In the rest of the list the gains did no amount to much—St. Paul %, Reading & \$\tilde{u}_0^2\$. New York Central a point, Great Northern, Nipper, and Atchison, with Baltimore and Ohio and Southwestern roads a small fraction.

Afternoon Market.

Passing into the second hour of the slowly, with a fair show of strength although Union Pacific was off a ful point from the high of the morning, and as the leader yielded the whole list showed a disposition to follow in the same channels, but not to the same degree. Union Pacific still held about 2 points of its advance, Reading %, South ern Pacific %, St. Paul 14@%, while the majority of the minor ralls were slightly above the closings of yesterday. Steel common receded % to 66%, while

the preferred moved up a like fraction to 124, making it % above yesterday's closing. Smelting was ½ better at 90%, and Copper steady at 80%—last night's B.

closing.

The Hills and New York Central were strongest of minor rails.

THE CURB MARKET.

Quotations furnished by E. F. Hutton & Co., members New York Stock Exchange, Thomas L. Hume, manager, 1301

	Oper	.High	Low.	P.A
Bri. Col. Cop	73%	71/2	7%	7
Butte Coalition	251/2	26	251/2	26
Cumberland Ely	8	8	8	. 8
Davis Daly	59%	5%	55%	5
Goldfield Con	71/2	75%	73/2	7
Goldfield Daisy	251/2	26	251/4	26
Greene Cananea				10
Nipissing Min	10%	101/2	10%	-10
United Copper	105%	105%	1034	103
La. R	8	816	8	8
Rawhide	31.	31	3014	30
			7.00	

NEW YORK EXCHANGE

(Quotations furnished by W. B. Hibbs & Co., bankers and brokers, Hibbs Building, members New York Stock Exchange, Wash-ington Stock Exchange, and Chirago Board

RAILROADS.

• 1		1:30
8	Open. High. Low.	P.M.
1	At., T. & S. Fe com., 115% 115% 115	11514
J	At., T. & S. Fe com115% 115% 125 At., T. & S. Fe ptd105% 105% 105%	105%
3		
1	Balto, & Ohio, com 117% 117% 117	11736
.	Rk Rnd Trans 7814 79 7814	79
1	Balto. & Ohio, com. 1174 1174 1177 Bk. Rpd. Trans	1891/
)	Chre & Ohio 77 773/ 787/	7714
	Chi & C W 2000 2 2 21	2 28
Л	C M & St D com 159 1593/ 1593/	159
3	C M & Ct D we 1001/ 1001/ 1001/	100
1	C., M. & St. F., pl., 100% 100% 100%	100.55
- 1	Chi. & N. W. com1821/2 1821/2 182	104
-1	Del. & Hudson1891/8 191 189	191
1	Den. & R. G. com 49¼ 49% 48½ Den. & R. G. pf 88% 88% 88% 88% Erie, com 36½ 36½ 35% 25% Erie, ist pf 52½ 52% 52%	4872
1	Den. & R. G. pf 88% 88% 88%	8858
. 1	Erie, com 361/2 361/2 357/8	36
Л	Erie, 1st pf 521/2 527/8 521/2	52%
i	Effe, 2d pl 43/8 40/8 40/8	2078
-1	Gt. Northern, pf1491/4 1491/4 1487/4	149
1		
	Inter. Met. com. 1678 17 1892 Inter. Met. com. 1678 17 1892 Inter. eMt. pf	165%
1	Inter. eMt. pf 47 4816 47	481/4
П	Kan, City Son, com, 4436 46 4414	4514
. 1	Kan City Sou of 73 73 73	73
1	Mexican Cen. ctfs. 24 2416 24	241;
1	M. K. A. T. com 4154 4154 4114	411
1	M.S.P. & S.S.M. com 18814 19814 198	122
ı	Missouri Pacific 721/ 791/ 721/	701/
1	N. Y. Cen. & Hud. R.13314 133% 132%	1931/
ч	N. Y. On. & West 534 534 504	
Н	Northern Decide 1519 150 151	0072
	Northern Pacific151% 152 151	191
	Pennsylvania136% 136% 136%	136%
1	Reading, com 1511/2 1521/8 1511/8	152
1	Rock Island, com 31% 31% 31% 31% Rock Island, pfd 70% 71% 70%	31%
1	Rock Island, pfd 701/2 711/2 701/4	701/2
1	St. L. & S. W. nfd 681/ 681/ 681/	6814
	South. Pacific, com 129% 1301/2 1291/2	130
1	South. Pacific, pfd. 1311/2 1321/4 1311/4	13214
: 1	South. Ry, com 32 321/2 311/2	311/2
1	South. Pacific, com. 129% 130½ 129½ South. Pacific, pfd. 131½ 132¼ 131½ South. Ry. com. 32 32½ 31½ South. Ry. pfd. 70 70½ 70	70

t	wis cent. pro og/4	0374	99.4	8374
	Western Maryland 181/2	181/2	17%	181/2
e	INDUSTRIAL	S.		
У	Amal. Copper 81%	813/2	80%	81
1	Am. Beet Sug. com. 43%, Am. Can, com 11%, Am. Can, pf 81½	44	43	431/4
	Am. Can, com 11%	11%	11%	11%
	Am. Can. pf 811/2	811/2	811/2	8132
S	Am. Car & Fdy. com. 55%	56	55%	56
-	Am. Car & Fdy. com. 55% Am. Cot. Oil, com 744 Am. Ice Sec 404 Am. Loco., com 5912	40	7334	75
t	Am. Ice Sec 401/4	40%	39%	393/4
	Am. Loco., com 591/2	5934	59%	591/2
v	Am. S. & R., com., 31	31.37	20096	28.
- 4	Am. S. & R., pfd,109%			
r	Am. S. & R., com124%		1241/8	1241/8
	Am. Tel. & Tel141	1421/8	141	1423/8
s	Am. Tob., pfd101	101	101	101
ž.	Am. W., com 331/2	331/2	331/2	331/2
a	Am. Wool., pfd1031/6.	1033/2	10314	10314
2	Anaconda Copper 49	49	4836	4836
5	Central Leather com. 314 Central Leather pfd104½	3114	311/4	3236
	Central Leather ofd 1041/6	10416	10416	10416
0	Col. F. & I. com 431/2	4876	4336	4356
- 1	Cal & Haals C & I 623	2917	292/	(201/
t	Con. Gas, N. Y	1401%	140	140
-	Corn Prod. R. com 23	23	2276	23
t	Corn Prod. R nfd 8714	8714	871/	871/
-	Distillers Securities 3914	3934	391/	3034
n j	General Electric 162%	1623/	16114	169
2	Great North Ore 76	7614	76	761/
-1	Great North, Ore 76 Inter. Steam Pump 40	400	40	40
- 1	Mackay Co.'s com 801/2	81	8014	21
	National Lead, com. 85	861/	85	86
e	National Lead, com. 85 N. Y. Air Brake881/2	8814	881/	881/
g	Pacific Mail Steam 291/2	31	9932	3014
1	Pressed S. Car, com. 421/2 Rep. I. & S., com 20%	421/	4914	491.
3	Rep. I. & S. com 20%	3114	2074	21
1 1	C C COIII 0078	127.74	490 78	OT.

GOVERNMENT SECURITIES

	GOVERNMENT SECONTIES					
١		Bid A				
	U. S. Con. 2's, reg., 1930	1011/2	102			
3	U. S. Con. 2's, coupon, 1930	0134	10234			
1	U. S. 3's, reg., 1908-18	10114	10214			
	U. S. 3's, coupon. 1908-18	100:				
1	U. S. 4's, reg., 1925	11814	119			
4	U. S. 4's, coupon, 1925	12014	Jane			
1	U. S. P. C. 10-30 yr. 2's r., 1936	101	10134			
i	Dist. of Columbia 3-65's, 1924.	081%				
i	Phil. Isl. land pur, 4's, 1914-34.	101				
4	Panama 1988's	101	10114			

SEES GREAT MENACE IN APARTMENT LIFE GIGANTIC MERGER

ideal of motherhood and wifehood is be- are cared for by the hotel servants. cording to Prof. J. D. Prince, speaker life. of the New Jersey assembly and profess-

was asked:

"The banishment of the home dinner."
he replied. "Remember, I am not arralgning housekeeping apartments. It is the hotel apartments that I mean.
where the meals are eaten in the house

A home maker.
A good housekeeper.
Religious and regular in her church attendance.
Tender souled and sympathetic.
And should stay at home a part of each day to order the dinner and spank the children.

NEW YORK, June 24.-The American | dining room, and where the apartments ing destroyed by the modern apartment Every family should have its own front hotels of our big American cities, ac- door, that shuts in completely the home

The professor believes that these at Columbia University, who de- apartment hotels are as bad for men considered that the apartment hotels afford too much freedom from household cares, and "Satan still some mischief finds, for idle hands to do."

"But what conveniences of the apartment hotels are as bad for men as for women.

"It is no incentive for a man," he declares, "to leave a busy and noisy work day to return to a busy and noisy public dining room to eat, what should be a "family dinser."

"According to Prof. Prince, the ideal American woman should be:

A home maker.

SAYS GOTHAM WOMEN IMBIBE TOO FREELY

NEW YORK, June 24.—"Nowhere in the world do wealthy women drink so freely and so audaciously as in New York" declared Leo Theimer.

Theimer has been head waiter of the main restaurant of the St. Regis Hotel since its opening, and has had unexcelled opportunities to observe the convivial traits of rich women. He had testified the previous day from the witness stand, in the separation suit of Mrs. Gould, that he had often seen society women "drink too much."

"The way New York women are allowed to drink promiscuously is allowed to drink promiscuo

PRODUCE PRICES SHOW AN ADVANCE New Potatoes Bring \$3.25

Per Barrel—Supply Still Reduced.

Produce prices strengthened generally today. Virginia peas brought \$5 per barrel, and, in the majority of sales, new potatoes brought \$3.25 per barrel. Supply of the latter continued reduced

and irregular Cantaloupes experienced a better market and brought from \$1.75 to \$3.50 per crate. The only reduction made in the fruit market was a decline of 3 cents

n the price of raspberries. Live stock, butter and eggs brought yesterday's prices. Poultry, both live and dressed, held firm at cld quotations. Today's wholesale quotations follow:

Eggs, Cheese, and Butter. Cheese-New York, flats, large, per lb., 14a14/c: small, per 'b., 141/a15c.

Eggs-Nearbys-Per doz., 22c.
Butter-Creamery, fancy, 254/a28c; Western firsts, 25a26c; process, fancy, 25a24c; fair to good, 25a21c; dairy, cholee, 25a21c; dairy, good: 18a19c; store-packed, fresh, 17/ac.

Poultry. Live Poultry-Chickens, spring, per lb., 20a 22c; hens, 15c; roosters, 8c; young ducks, large, per lb., 16a18c; small, per lb., 8a9c; geese, per lb., 5a10c; turkeys, toms, per lb., 12c; hens, per lb., 14c.

Dressed Poultry-Chickens, spring, per lb., 25c; roosters, per lb., 10c; turkeys, undrawn, toms, per lb., 15a16c; hens, per lb., 15a16c; ducks, large, per lb., 10a12c; geese, per lb., 6a10c.

Fruits—Apples, fancy brands, per bbl., \$4.50 a6.50; oranges, California, per box, \$2.50a \$3.25; Florida, per box, \$2.00a3.50; strawberries, per quart., 4a8c; pineapples, \$1.50a \$2.00; cantaloupes, per crate, \$1.75a3.50; peaches per crate, \$1.50a3.00; cherries, per box, 5al0c; raspberries, per quart, 12a14c; blackberries, per quart, 5a8c; watermelons, 30a40c apiece.

Vegetables. Vegetables.

Vetgetables—Potatoes, per bu. \$1.00a1.10; potatoes, home grown, per bu., \$0ca\$1.00; new potatoes, per bbl., \$2.00a3.25; cucumbers, per basket, 75ca1.50; spring cabbage, per bbl., 50a75c; squash, per crate, 75ca\$1.00; string beans, basket, 40a75c; tomatoes, Florida, per crate, \$1.00a2.00; spinach, per bbl., 50c a\$1.00a1.50; asparagus, per bunch, 5a20c; home grown, per toz. bunches, 50a75c; lettuce, per bbl., \$1.00a1.50; asparagus, per bunch, 5a20c; home grown, per toz. bunches, 50a75c; beets, per doz bunches, 40a60c; rhubarb, per bunch, 1½a 2c; radishes, per 100, \$1.00; Texas onions, per crate, \$1.25; home-grown peas, per bbl., \$2.50 a5.00; corn, per crate, \$1.75a2.00; Texas tomatoes, \$1.00a1.10.

Live Stock.

LOCAL SECURITIES VERY DULL UNION OF CHICAGO BANKS HAS NOVEL FEATURES.

Four stocks were traded in on the lo- by the Norfolk and Washington Steam al Stock Exchange, but nothing approaching activity in any-lining. The vacation season is on. Business has held up well up into the summer and it is but natural that the market should became more quiet. The ttendance of brokers was light and the ders limited.

Railway preferred opened at 90½ and closed at 90%. Gas sold at 70 to 69% to

United States Trust moved up to 1051/4 After the call Lanston sold to the extent of 100 shares at 151/2.

The Continental National Bank and e American Trust and Savings Bank, both of Chicago, have given the finan-cial world an object lesson in consoli-

Both banks are to run as at present eparate institutions. Both, according o the telegraphic story, will occupy the ame building, the handsome, modern structure recently erected by the American Trust and Savings Bank on the northeast corner of Clark and Monroe streets, immediately adjoining the First National building. The latter institution has its offices on the main floor and the Continental will probably take two of the upper floors. The Continental will own the shares of the American Trust exchanging its own stock with the shareholders of the American Trust. The combined deposits will total considerably over \$170,000,000.

The president of each bank will be vice president of the other. President Reynolds, of the Continental, an Armour Bank, has been with the institution for many years, succeeding its original president, John C. Black, years ago with Armour & Co.

The success of the adjunct of the First National Bank, the First Trust and Savings, may have inspired the amalgamation.

The consolidation is one of the first, if not the first, big union where separate entities have been maintained. It may be a pointer for other banks, for there is a distinct trend among national banks toward a broader market for loans, and this is offered in large measure by the privileges of trust company charters.

Fresident Potter, of the American Trust and Savings, was formerly in the prano business and took hold of the present big bank when it was reported to be near shoal water, He has been very successful. structure recently erected by the Amerian Trust and Savings Bank on the

Griffin, Halstead & Co., will remove from their present location on F street, to the Colorado Building, where the firm will occupy the offices at present used

Washington Exchange

GOVERNMENT PONDS.		Farmers and Mechanics 310	ı
Bld. A	sked.	*Lincoln 127	
U. S. R. 2's 1011/2	102	Metropolitan 210	
U. S. C. 248 1011/2		Riggs 550	
U. S. R. 3'8 101'5		Second	1
U. S. C. 3'S 10134	1021/2	*Washington 310	3
J. S. R. 4's 1181/4	119	TRUST COMPANY STOCKS	
U. S. R. 4's	***	The state of the s	
D. C. 3.65'S 1081/2	***	American Sec. & Trust 265	2
GAS BONDS		National Sav & Trust 200	2
Georgetown Gas 5's 107	116	Union Trust	1
Vash. Gas 4's 100	104	United States Trust 10514	2
Wash, Gas Cert. 6's	115		*
RAILROAD BONDS.		SAVINGS BANK STOCKS.	
	440	*Home Savings 280	
Cap. Traction R. R. 5's 117	118	Merch. Mec. Savings 149	1
Anacostia & Potomac 5's., 104	106	Union Savings 235	2
City & Suburban 5's 104 Columbia R. R. 5's 103	105	Dime Savings 101/4	
Columbia R. R. 6's 1123/2	116	FIRE INSURANCE STOCKS.	
Metropolitan R. R. 5's 114	115	Arlington 24	
Wash. Ry. F. Elec. 4's 87	88	Commercial 5	*
MISCELLANEOUS BONDS.	- 70	Corcoran	
	***	Firemen's	
Potomae Electric Cons. 5's 104%	105	German American 267	•
Potomac Elec. Lt. 5's 108	1081/2	National Union 6	•
N. & W. Steamboat 5's 100 2. & P. Telephone 5's 105	106	Potomae	
Emerson St'm Pump 6's 75	80	The second secon	
Wash. Market 5's 1927 1034	109	TITLE INSURANCE STOCKS.	
Vash. Market 5's 1947 104	119	*Columbia 41/2	
		*Real Estate 90	1
PUBLIC UTILITY STOCKS.		Washington 2	
Capital Traction 1341/2	135	MISCELLANEOUS STOCKS.	
Wash. R. & Elec., com 42	43	Emmerson Steam Pump 12	
Wash. Ry & Elec., pf 901/8	9014	Grapho., com 10	
Wash. Alex. & Mt. Ver 41	55	Grapho., pfd 30	
N. & W. Steamboat 265	280	*Merch. Trans. & Storage 107	
Washington Gas 697%	70	Security Storage 200	2
Georgetown Gas	118	Washington Market 16%	
G. F. & O. Dominion 13	110	*Ex-dividend.	
	***	TODANIO CALEO ON THE	
TYPE MACHINE STOCKS.		TODAY'S SALES ON THE	
Mergenthaler Linotype 2085%	210		

1921/4

160

Washington Railway and Electric pre-erred, 15/990½, 10/990½, 50/900¼, 50/900½, 00/90½, Washington Gas, 25@70, 25@69%, 25@70, United States Trust, 10@105¼, 5@105¼, After call—Lanston, 100@15½. 275 177½ 180

OF CHICAGO BANKS

MINING STOCKS.

NATIONAL BANK STOCKS.

Combined Capital Is \$16,-500,000 and Deposits Will Reach \$112,000,000.

CHICAGO, June 24 .- A new bankng institution with a capital stock of \$16,500,000 and deposits of more than \$112,000,000, will be the result of merger announced today by the Continental National Bank and the American Trust and Savings Bank. The bank will be known as the Coninental National Bank, and will be one of the largest financial institu-

is in the country, resident George M. Reynolds, of Continental National, and Presit F. A. Potter, of the American st, issued a statement saying the ger was not an absorption of the lank, but "a unification of increas." Fach president will remain. either bank, but "a unification of in-erests." Each president will remain n his place and each will be elected vice president of the 5ther bank. Identified with the new unified in-titutions are J. Ogden Armour, E. H. Gary, E. P. Ripley, A. J. Earling, loy Morton, Frederick Weyrhauser, be lumbermand; Edward H. Hines, umberman, and Theodore P. Shonts.

FINANCIAL

by the Norick and ship Co.

The Comptroller of the Currency has called for a statement of National banks at the close of business June 23.

lations.

Bid and Ask Prices

PONDS.	3 . 1	Farmers and Mechanics 310	
Bld.A	sked.	*Lincoln 127	
1011/2		Metropolitan 210	
1011/2	1021/2	Riggs 550	
10114		Second 160 *Washingtor 310	162
10134			224
1181/4	119	TRUST COMPANY STOCKS.	14
1201/2		American Sec. & Trust 265	
1081/2		National Sav & Trust 200	300
	200	Union Trust	211
107	116	Union Trust	136
100	104	United States Trust 19514	
110	115		***
NDS.		SAVINGS BANK STOCKS.	
	440	*Home Savings 280	
117	118	Merch. Mec. Savings 149	160
104	106	Union Savings 235	247
104	***	Lime Savings 101/4	
103	105	FIRE INSURANCE STOCKS.	
1121/2	116	Arlington 24	27
114	115	Commercial 5	
87	88	Corcoran 71	
BONDS.		Firemen's 19%	20
8 104%	105	Branklin 65	
108	1081/2	German American 267	
100	***	National Union 6	
105	106	Potomac 33	35
75	80	TITLE INSURANCE STOCKS.	
1031/4	109	*Columbia 41/2	- 5
104	119	*Real Estate 90	100
STOCKS.	2.18.19	Washington 2	100
	400	MISCELLANEOUS STOCKS.	
1341/2	135		
42	43	Emmerson Steam Pump 12	15
90%	9014	Grapho., com 10	
41	55	Grapho., pfd 30	**
200	280	*Merch. Trans. & Storage 107	×100
69%	70		250
50	110	Washington Market 16%	19
116	118	*Ex-dividend.	
13		-	
STOCKS.		TODAY'S SALES ON THE	
208%	210		

WASHINGTON EXCHANGE

DAWSON IS ELECTED. NEW YORK, June 24.—The Prince-ton baseball squad has elected Dawson, who has been Princeton's star catcher for two seasons, captain of the 1910 team. Dawson is a junior.

FINANCIAL



Paid in Capital, \$1,000,000 —A Chance for

INVESTORS W/ E offer excellent in-

vestments in the form of notes secured by first mortgage on highest grade real estate in Washington.

Our Banking Dept. Pays 3 per cent interest on minimum monthly balances subject to check.

MU. S. Government supervision.

United States Trust Company H. BRADLEY DAVIDSON, Pres.

1405 G Street N. W.

V. M. I. STUDENTS RECEIVE DIPLOMAS

LEXINGTON, Va., June 24.—Diplomas have been conferred upon thirtyseven graduates of Virginia Military

The graduating exercises were hold in Stonewall Jackson Memorial Hall yesterday, and brought a successful season to a close. Cadet John Magruder, of Woodstock, was awarded first honor, and Cadet Carnell Wheeler, of Sallisaw, Ind., was given second honor.

FINANCIAL.

NEW FREIGHT DEPOT. FREDERICKSBURG, Va., June 24.— The Richmond, Fredericksburg, and Po-omac Railroad Company has closed a contract with Phillips & Aligort, con-tractors, for the erection of a large new freight depot here, including grad-ing and laying out the freight yards.

HEARING POSTPONED.

FINANCIAL.

RICHMOND, Va., June 24.—At the request of West Virginia counsel, who could not reach here, Special Master Littlefield has postponed the Virginia-West Virginia debt hearing one week.

FLORIDA EAST COAST RAILWAY CO.

\$10.000.000

First Mortgage 4½ Per Cent. Gold Bonds

Dated June 1, 1909.

Due June 1, 1959.

\$3,318,320,00

Jacksonville, Florida, June 17, 1909.

Interest Payable June and December in New York.

Trustee: BANKERS' TRUST COMPANY.

Coupon or registered interchangeable bonds.

Total authorized......\$12,000,000

The Railway Company was organized in 1892. Its railroad from Jacksonville to Miami, 366 miles, was completed in 1895. In 1908 the extension to Knight's Key was opened, making 574 miles now operated, including 97 miles of branches. Extension to Key West, 45 miles, now under construction, will make total of 619 miles.

Application will be made to list these Bonds on the New York Stock Exchange.

The following is summarized from the accompanying letter of the President of the Railway Company, to which we refer for confirmation:

1. First Mortgage, limited to \$12,000,000, on property which has cost in cash over \$83,000,000. 2. \$4,000,000 additional common stock is to be purchased at par by Henry M. Flagler, to complete the extension to Key West, bringing the total cost up to about \$37,00,000.

3. Gross earnings for the last five years as follows: 1906 1907 \$2,328,863.67 \$2,471,152.14 \$2,956,282,66 \$3,008,346.43

*May and June estimated. 4. Average net earnings for the past five years nearly 150% of interest charges on these bonds. 5. Net earnings 1909 (May and June estimated) more than twice such interest charges.

WE OFFER, SUBJECT TO PRIOR SALE AND CHANGE IN PRICE, THE ABOVE \$10,000,000 OF BONDS AT 1021/2 AND ACCRUED INTEREST.

Temporary receipts will be issued pending the delivery of the definitive bonds.

J. P. Morgan & Co. First National Bank National City Bank

New York, June 24, 1909.

Messrs. J. S. MORGAN & CO., London. Messrs. DREXEL 2 CO., Philadelphia.

FLORIDA EAST COAST RAILWAY COMPANY.

Messrs. LEE, HIGGINSON & Co., Boston and Chicago.

Messrs. J. P. MORGAN & CO.,

Dear Sirs: In behalf of the Florida East Coast Railway Company, of which I am President, and for the purpose of giving full and accurate information concerning the Company and its proposed issue of \$10 .-000,000 of new First Mortgage bonds, part of a total authorized issue of \$12,000,000, I submit the fol-

lowing statement: This Railway Company was organized under the laws of Florida in the month of May. 1892. its

present name having been adopted upon September 13, 1895. The authorized main line of the railway extends from a point in the City of Jacksonville, Florida, to Key West, Florida, a distance of 522 miles, more or less, with 97 miles of branches. The railroad was completed from Jacksonville to Miami, a distance of 366 miles, in the year 1895, and ever since has been in continuous operation. The railroad from Miami southward to Knight's Key, a distance of 111 miles, was completed in the year 1908, and ever since has been in continuous operation.

The actual cost of the railroad as completed to date exceeds \$33,000,000 in cash. The new First Mortgage bonds represent only about one-third of the actual cost; the other twothirds having been met out of the proceeds of common stock and about \$20,000,000 income bonds

(part of an authorized issue of \$25,000,000) subordinate and inferior to the First Mortgage bonds. The railroad from Knight's Key southwardly to Key West, a distance of 45 miles, is now in course of construction, and is expected to be completed on or before the first day of January, 1911. The gross earnings of the Company have been as follows:

Fiscal year ending June 30, 1905...... \$2,328,863.67 1906 2,471,152,14 1907 Twelve months ending with June, 1909 (May and June estimated)... 3,318,320.00 The operating expenses, the taxes and the net earnings available for interest charges were as fol-

Net earnings available for Interest charges \$645,935.81 Operating expenses. Taxes. \$1,608,522.53 \$ 74,405.33 590,463.42 2.251,797,77 112,582,90 591,901.99 1907 131,592.78 489,669.04

The above mentioned operating expenses include extraordinary charges for new rail, telegraph lines and depreciation. The physical condition of the railroad and of its equipment is excellent and fully adequate to the requirements of the business of the railroad.

The business of the railroad has shown a steady and continuous increase and promises to be very largely increased by its extension and completion to Key West. There are now existing and outstanding notes of the Company payable in August, 1910, to a total

amount of \$6,080,000, which notes are secured by the personal endorsement of H. M. Flagler, Esq., and also by deposit of a portion of the present first mortgage bonds. It is proposed now to execute a new First Mortgage to secure an authorized issue of \$12,000,000 41/2% fifty year First Mortgage bonds, as stated above. Out of the proceeds of \$10,000,000 of the new First Mortgage bonds, it is intended immediately to retire all of the existing notes payable in 1910, and, with the remainder of these proceeds and by the issue of secondary general mortgage income bonds, it is intended to retire all of the present first mortgage bonds and second mortgage bonds. This having been done, the new First Mortgage securing the bonds for the principal sum of \$10,000,000 will constitute a first lien upon all of the railroad property of the company, including its equipment valued at more than \$3,000,000.

The remaining \$2,000,000 of these bonds will be reserved to be issued for new equipment and construction under careful limitation and restrictions, which are fully set forth in the Mortgage. The railroad is to be extended, constructed and completed from Knight's Key to Key West out of

the proceeds of \$4,000,000 new common stock of the Company, to be purchased at par by Mr. Flagler. The \$450,000 interest annually accruing upon the \$10,000,000 First Mortgage bonds now proposed to be issued, will be substantially less than the net earnings of the Company available for the payment of interest charges during each of the last five fiscal years, as set forth in the above table. For the current fiscal year, such net earnings are more than double such interest charge. These earnings, it is expected, will steadily increase, not only by the regular growth of the business of the Company, but also with the completion of the important extension to Key West, for which the funds have

been assured as above stated. This road is the natural continuation of the Atlantic Coast Line, the Southern Railway, and the Seaboard Air Line to Florida and Cuba, and a proposed car ferry system between Key West and Cuba will attract to this line still larger amounts of traffic which otherwise would be carried by boats.

Arrangements have been made also to fund the entire indebtedness of the Railway Company subsequent and subordinate to the new First Mortgage bonds.

Yours very truly. J. R. PARROTT, President.

136,000.00

1,008,601.00